Homework ch8

1. If you only have your ATC and AVC graphs how could you then determine your TFC, TC, TVC and MC?
2. What is a natural Monopoly?
3. What is the MES?
4. How is the MES related to a Natural monopoly?
5. What kind of industries do you think would have a natural monopoly and why?
6. What is the biggest “sunk” cost you’ve ever walked away from? (note it doesn’t have to be financial- it can simply be something you put loads of time and effort into)